



City of Loma Linda Official Report

Karen Gaio Hansberger, Mayor
Floyd Petersen, Mayor pro tempore
Robert Christman, Councilmember
Stan Brauer, Councilmember
Robert Ziprick, Councilmember

COUNCIL AGENDA: May 25, 2004

TO: City Council

SUBJECT: Request from Big Bear City Community Services District for
membership in the California Joint Powers Insurance Authority

RECOMMENDATION

It is recommended that the City Council approve Big Bear City Community Services District membership in the CJPIA.

CALIFORNIA JPIA

MEMBERSHIP APPLICATION

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REPORT OF INITIAL RISK MANAGEMENT EVALUATION

of the

Big Bear City Community Services District

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I. RECOMMENDATION

It is recommended that the Big Bear City Community Services District's application for membership in the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY be approved with an initial General Liability Program primary deposit of \$39,328 and an initial Workers' Compensation Program deposit of \$226,851 for participation in the \$50,000 retention pool.

II. GENERAL INFORMATION

A. Date of Survey: March 30, 2004

B. Participants in Survey:

1. For CALIFORNIA JPIA: Allan Amico, Risk Manager

2. For District: Rod Watkins, General Manager
Jim Thompson, Safety & Environmental
Program Manager
Dana Van Leuven, Fire Chief
Karyn Oxandaboure, Administrative Services
Manager

C. Description of Applicant:

Located in San Bernardino County east of the City of Big Bear Lake, the Big Bear City Community Services District has a population of approximately 12,000. The District's 26 square miles are comprised of a mixture of residential, retail, an airport, and business uses.

The Big Bear City Community Services District was incorporated in 1966 as a Special District using a Board of Directors form of government. The Board is made up of five members elected with four-year, over-lapping terms. The President is selected annually by and among the Board Members.

The District's 2003-2004 operating budget was \$8.8 million with a staff of 66 full-time employees, and 2003-2004 payroll of \$4,619,096. The District has its own fire department. The San Bernardino County Sheriff's Department provides police services. The District does not provide parks or recreational services.

During the survey, District staff displayed knowledge and concern about risk management issues.

III. CURRENT INSURANCE PROGRAM

The District is currently a member of the Special District Risk Management Authority (SDRMA). The general liability and automobile liability program has an occurrence limit of \$10,000,000, at a zero retention level. The estimated premium for 2003-2004 for claims was \$68,531.

The workers' compensation program has an occurrence limit of \$50,000,000. Bragg and Associates provides claims administration services for the District's workers' compensation claims. The estimated premium for 2003-2004 for claims was \$486,628.

IV. EXPERIENCE AND LOSS DATA

General and Automobile Liability

The District has a liability loss history consistent with the scope of its operations. Over the past seven years, it has averaged less than one loss per year. The cost of the District's losses over this same period has been an average of approximately \$600 annually.

Workers' Compensation

The District's workers' compensation losses over the past seven years are consistent for a District that includes public safety within its scope of services. The District has averaged about 16 claims per year with an average cost of approximately \$132,072 per year.

V. APPLICATION FEE AND DEPOSIT COMPUTATIONS

A. Application Fee:

The Big Bear City Community Services District paid an application fee of \$1,000. This fee will be applied toward the primary deposit if the District is approved as a member or refunded if membership is not approved.

B. General Liability Deposit:

The initial primary deposit covering the period July 1, 2004 through June 30, 2005 was established at \$39,328. The deposit was established based upon a pro forma analysis of the District's claims history covering the period July 1, 1995 to June 30, 2002.

C. Workers' Compensation Deposit:

The initial deposit for the July 1, 2004 through June 30, 2005 coverage period was established at \$226,851 at the \$50,000 retention level. The deposit was established based upon a pro forma analysis of the District's claims history covering the period July 1, 1995 to June 30, 2002.

VI. PHYSICAL INSPECTION AND COMMENTS

A. District Office

The District Office houses the departments of Finance, Human Resources, Safety and Environmental, Network and Systems, Accounting, and Customer Service. The building is maintained in a satisfactory manner. It includes a sufficient number of exits and is accessible to the disabled.

B. Maintenance Yard

The maintenance yard houses the District's Fleet Services, Water Services, Solid Waste Services, and Sewer Services. The field staff is responsible for the general maintenance of these services. Contractors perform major infrastructure projects.

VII. WATER, SEWER, SOLID WASTE, AND OTHER UTILITIES

The Water Services Department provides potable drinking water within an eight square mile service area to over 5,500 commercial and residential customers. Department operations are supported by four reservoirs with a total capacity of 6.25 million gallons, 75 miles of main lines, 373 fire hydrants, 1630 gate valves, and over 5,500 customer service meters.

The Sewer Services Department has nearly 11,000 accounts. The sewer system collects and transports wastewater to the Big Bear Area Regional Wastewater Agency treatment plant for processing and disposal. Seven pump stations support department operations, 115 miles of main lines and 2,842 manholes.

The Solid Waste Services Department has over 10,500 customer accounts providing refuse collection, disposal, and recycling services within a service area of 11.4 square miles. A fleet of seven refuse hauling trucks and two support vehicles support department operations.

Bear Valley Electric provides electrical power. Southwest Gas Company provides natural gas.

VIII. FIRE AND EMERGENCY MEDICAL SERVICES DEPARTMENT

The Fire and Emergency Medical Services Department provides fire suppression, medical emergency response, hazard mitigation, prevention, investigation, and related special services, as well as funding for street lighting. These services are provided within a service area of 26 square miles. Single-family dwellings account for 92%, with commercial structures accounting for the remaining 8%. Two fire stations and nine vehicles support department operations.

The District has an agreement with the Bear Valley Community Healthcare District to pay for Paramedic personnel costs supplementing the fire department operations budget and provides one paramedic firefighter and firefighter EMT on each first out ambulance. In addition the ambulance vehicles are provided to the fire department.

IX. POLICE DEPARTMENT

The San Bernardino County Sheriff's Department provides Law Enforcement/ Public Safety services under contract.

X. SUMMARY AND EVALUATION

District management employees understand and are committed to the concept of risk management and are aware that hazardous conditions need to be evaluated and addressed to reduce the District's exposure to loss.

It is the CALIFORNIA JPIA staff's conclusion that the physical inspection, committed leadership and interest expressed qualify the Big Bear City Community Services District for membership in the CALIFORNIA JPIA. We also find that membership will benefit the District by providing reliable and economical coverage, and it will be advantageous to the CALIFORNIA JPIA by expanding its ability to spread pooled losses and costs.



CALIFORNIA JOINT POWERS INSURANCE AUTHORITY

8081 Moody Street, La Palma, California 90623
(562) 467-8700 • FAX (562) 402-8692

Big Bear City Community Services District

APPLICATION FOR MEMBERSHIP

INSTRUCTIONS: Please complete the following underwriting information. You may attach additional sheets, if necessary, to amplify your answers. The application should be signed by the General Manager. Please type your answers.

Date of Application: February 20, 2004 Date of Incorporation: Aug. 23, 1966

AGENCY: Big Bear City Community Srv. District COUNTY OF: San Bernardino

ADDRESS: PO Box 558/139 E. Big Bear Blvd. Big Bear City, CA 92314-0558

MAIN PHONE: 909-585-2565 MAIN FAX: 909-585-0025

WEBSITE: N/A

APPLICATION COMPLETED BY: Jim Thompson PHONE: 909-584-4009

FUNCTION:	Salutation	Name	Actual Title	Phone	Email
General Manager:	Mr.	Rodney Watkins	General Manager	(909) 584-4001	
Finance Officer:	Mr.	Michael Mayer	Finance Officer	(909) 584-4010	
Public Works Director:	N/A				
Parks & Rec Director:	N/A				
Planning Director:	N/A				
Clerk:	Mrs.	Karyn Oxandaboure	Admin Svcs Mgr.	(909) 584-4002	
Agency Attorney:	Best, Best, & Krieger			(909) 826-8296	
Risk Manager:	Mr.	Jim Thompson	Safety & Enviro P&M Mgr.	(909) 584-4009	
Police Chief:	N/A				
Fire Chief:	Chief	Dana Van Leuven	Fire Chief	(909) 584-4024	
Personnel Director:	Mrs.	Kathleen LaHaye	HR Coordinator	(909) 584-4021	

1. POPULATION SERVED: 12,000

2. AREA SERVED: 26.84 Miles

3. TOTAL OPERATING BUDGET (FY ~~2002-2003~~ ²⁰⁰³⁻²⁰⁰⁴): 8.8 Million
(Please provide a copy of your adopted budget)

4. EMPLOYEE CENSUS:

		FT (Positions)	PT (FT Equiv)	VOL (People)	Gross Payroll for Calendar year 2002 (include non-taxable compensation & PT)
Clerical Office	(8810)	9	N/A	N/A	427,083
Municipal Non-Manual	(9410)	2	N/A	N/A	185,210
All Other Municipal	(9420)	1	N/A	N/A	47,706
Fire Fighters	(7706)	21	N/A	N/A	1,537,964
Volunteer Fire Fighters	(7707)				
Police Officers	(7720)				
Volunteer Police Officers	(7722)				
Bus Operators	(7382)				
Pilots	(7424)				
Animal Services	(8831)				
Water Works	(7520)	8	N/A	N/A	390,864
Sanitation Employees	(7580)	8	N/A	N/A	350,307
All Other Directors (3742)(9999)		5	N/A	N/A	14,900
Refuse Collection (9403)		11	N/A	N/A	423,333
TOTAL EMPLOYEES & GROSS PAYROLL		65	N/A	N/A	3,377,367

(Calendar year 2002)

FY 2002-2003

5. CURRENT INSURANCE PROGRAM (or last insured year):

In addition, please submit the face sheets of all current policies.

See Attached Information

A. GENERAL LIABILITY COVERAGE: (Claims made or occurrence, please specify)

1. Primary Coverage:

Carrier: SDRMA

Policy Period: July 1 - June 30

Occurrence Limit: \$ _____

Premium: \$ _____

Deductible/Retention: \$ _____

Claims Administrator: \$ _____

EXCESS LIABILITY COVERAGE:

\$ _____ Excess of \$ _____

Carrier: _____

Policy Period: _____

Premium: \$ _____

\$ _____ Excess of \$ _____

Carrier: _____

Policy Period: _____

Premium: \$ _____

\$ _____ Excess of \$ _____

Carrier: _____

Policy Period: _____

Premium: \$ _____

B. WORKERS' COMPENSATION COVERAGE:

1. Primary Coverage:

Carrier: SDRMA
Policy Period: July 1- June 30
Premium: \$ 486,628 FY 03-04
Employers Liability Limit: \$ 0
Deductible/Retention: \$ 0

Claims Administrator: Bragg & Associates, Roseville, CA

2. Excess Workers' Compensation Coverage:

\$ _____ Excess of \$ N/A
Carrier: _____
Policy Period: _____
Premium: \$ _____

C. PROPERTY INSURANCE: See Attached Declarations

1. Coverage: (Replacement cost or other, please specify) Replacement cost

Insured values: \$ _____
Buildings: \$ 3,982,000
Contents: \$ 2,650,000
Vehicles: \$ 3,000,672
Other: \$ _____
Total Values \$ 9,632,672

Carrier: SDRMA
Policy Period: JULY 1- JUNE 30
Premium: \$ _____

Invoice Attached

6. LOSS EXPERIENCE: (Past five completed years)

Additionally, please submit detailed claims information for the past ten years. See "Claims History" forms for more information.

A. GENERAL LIABILITY INCURRED LOSSES:

Year	Number of Losses	Amount of Losses
	Information already provided	

B. WORKERS' COMPENSATION INCURRED LOSSES:

Year	Number of Losses	Amount of Losses
	Information already provided	

C. INSURED PROPERTY INCURRED LOSSES:

Year	Number of Losses	Amount of Losses
2003	0	0
2002	0	0
2001	0	0
2000	0	0
1999	0	0

7. GENERAL EXPOSURES:

	Number	Area
A. Waterfront Property:	0	
B. Cemeteries:	0	
C. Housing:	0	
D. Libraries and/or Museums:	0	
E. Developed Parks and Playgrounds:	0	
F. Auditoriums and/or Exhibition Halls:	0	
G. Community Centers:	0	
H. Buildings Leased to Others:	0	
I. Land Leased to Others:	0	
J. Buildings and/or Land Leased by Organization:	2	1 acrg
K. Motorpools/Garages:	1	
L. Underground Storage Tanks:	0	

8. VEHICLE EXPOSURES:

	Number	
A. General Vehicles:		
Passenge Sedans (non-police):	2	
Motorcycles	0	
Pickups & other maintenance vehicles:	18	
Construction/Heavy Equipment:	15	
Other:		
Please describe "Other":		
		Inventory attached
B. Emergency Vehicles:		
Police:		
Passenger:	N/A	
Motorcycles:		
Pickups/Vans:		
Fire:		
Passenger:	3	
Pickups/Vans:	1	
Apparatus:	5	
C. Public Transit Vehicles:	N/A	
Mini Buses/Vans:		
Buses:		

9. ROADWAY AND TRAFFIC EXPOSURES:

A. City Streets: (miles)	N/A
B. County Roads: (miles)	N/A
C. State Highway: (miles)	N/A
D. Traffic Signals: (number)	N/A
E. Parking Lots: (number)	N/A
F. Parking Meters: (number)	N/A
G. Sidewalks: (miles)	N/A

10. POLICE SERVICES EXPOSURES:

A. Number of Sworn Officers:	N/A
Full-time:	N/A
Part-time:	N/A
B. Number of Reserves:	N/A
Level I:	N/A
Level II:	N/A
C. Number of Police Stations:	N/A
D. Number of Jail Facilities:	N/A
Number of Cells:	N/A
E. Is there a Policy and Procedures Manual?	N/A
F. Is there a written Pursuit Policy?	N/A
G. Is there a written Policy on the use of Firearms?	N/A
H. Is there a written Policy on the use of Canines?	N/A

11. FIRE SERVICES EXPOSURES:

A. Number of Sworn Fire Personnel:	12
Full-time:	10
Part-time:	0
Volunteers:	6
Paramedics:	2
B. Number of Fire Stations:	

12. UTILITY SERVICES EXPOSURES:

A. Water Department:	
Please submit an inundation map showing location and describe each dam.	
1. Number of Employees:	8
2. Average capacity/day:	1MGD
Domestic:	
Industrial:	
3. Source of supply:	Groundwater
4. Dams:	
Number:	N/A
Capacity:	N/A
Type:	N/A

5. Reservoirs:
Number: N/A
Capacity: N/A
Type: N/A

6. Storage tanks:
Number: 4
Capacity: 6.24 M. G.
Type: Welded Steel

7. Source of water supply: Groundwater

B. Sanitary Sewer Service:
Number of employees: 8
Average capacity/day: 850,000 gal/day through system
Level of treatment: N/A
Effluent discharged to: Big Bear Area Regional Wastewater Agency

C. Service Suppliers:
Electrical Power: Bear Valley Electric
Natural Gas: Southwest Gas
Telephone: Verizon
Cable Television: Charter
Water (if private): BBCCSD
Solid Waste Disposal: BBCCSD

13. Please include material information not requested on this form.

ACKNOWLEDGEMENT (To be completed by General Manager):

All of the above information, including attachments, has been fully disclosed. The CALIFORNIA JPIA may rely on these answers, including attachments, when considering this application for membership.

NAME: Rodney Watkins

DATE: Feb. 20, 2004

SIGNATURE: 